



MISSOURI TIMBER PRICE TRENDS

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Missouri Department of Conservation, Forestry Division

Statewide Stumpage Prices

	High	Low	Avg.	Last Qtr.	Last Yr.	Vol.	# of Rpts.
Veneer							
Walnut, Black	\$3,000	\$1,140	\$2,530	\$2,370	\$1,575	96 Int. - MBF	18
Sawlogs							
Ash	\$190	\$60	\$105	\$130	\$115	6 Int. - MBF	3
Cottonwood	\$40	\$40	\$40	\$45	\$85	6 Int. - MBF	1
Elm	\$190	\$40	\$65	\$35	\$130	4 Int. - MBF	2
Hackberry	\$90	\$60	\$70	\$50	\$75	11 Int. - MBF	2
Hard Maple	\$190	\$190	\$190	-	\$100	- Int. - MBF	1
Hickory	\$215	\$50	\$215	\$120	\$180	57,648 Int. - MBF	9
Mixed Hardwoods	\$180	\$50	\$170	\$115	\$90	174 Int. - MBF	5
Oak (mixed species)	\$235	\$75	\$190	\$135	\$140	796 Int. - MBF	12
Post Oak	\$200	\$75	\$160	\$135	\$180	17,095 Int. - MBF	9
Red oak (group)	\$290	\$85	\$265	\$190	\$225	112,964 Int. - MBF	17
Shortleaf Pine	\$130	\$75	\$105	-	\$90	66 Int. - MBF	3
Soft Maple	\$190	\$175	\$180	\$250	\$145	47 Int. - MBF	4
Walnut, Black	\$1,085	\$175	\$720	\$730	\$345	122 Int. - MBF	19
White oak (group)	\$290	\$85	\$210	\$205	\$200	6,971 Int. - MBF	11

North Stumpage Prices

	High	Low	Avg.	Last Qtr.	Last Yr.	Vol.	# of Rpts.
Veneer							
Walnut, Black	\$2,500	\$1,250	\$1,990	\$2,055	\$940	29 Int. - MBF	8
Sawlogs							
Mixed Hardwoods	\$180	\$65	\$175	\$115	\$55	162 Int. - MBF	2
Oak (mixed species)	\$75	\$75	\$75	\$100	\$130	5 Int. - MBF	1
Soft Maple	\$190	\$190	\$190	\$250	\$140	7 Int. - MBF	1
Walnut, Black	\$835	\$425	\$660	\$650	\$480	63 Int. - MBF	7

Central Stumpage Prices

	High	Low	Avg.	Last Qtr.	Last Yr.	Vol.	# of Rpts.
Veneer							
Walnut, Black	\$2,600	\$1,140	\$2,015	\$2,590	\$1,855	17 Int. - MBF	9
Sawlogs							
Ash	\$90	\$60	\$75	\$85	\$70	4 Int. - MBF	2
Cottonwood	\$40	\$40	\$40	\$45	\$25	6 Int. - MBF	1
Elm	\$40	\$40	\$40	\$35	-	3 Int. - MBF	1
Hackberry	\$90	\$60	\$70	\$50	\$70	11 Int. - MBF	2
Hickory	\$90	\$50	\$80	-	\$100	7 Int. - MBF	2
Mixed Hardwoods	\$90	\$90	\$90	\$70	-	9 Int. - MBF	1
Oak (mixed species)	\$175	\$85	\$120	\$120	\$210	157 Int. - MBF	5
Red oak (group)	\$100	\$85	\$90	-	\$100	64 Int. - MBF	3
Soft Maple	\$175	\$175	\$175	\$250	\$185	40 Int. - MBF	3
Walnut, Black	\$1,085	\$415	\$805	\$780	\$495	51 Int. - MBF	10
White oak (group)	\$90	\$85	\$90	-	\$115	82 Int. - MBF	2

Southwest Stumpage Prices

	High	Low	Avg.	Last Qtr.	Last Yr.	Vol.	# of Rpts.
Veneer							
Walnut, Black	\$3,000	\$3,000	\$3,000	\$1,585	-	51 Int. - MBF	1
Sawlogs							
Oak (mixed species)	\$160	\$130	\$145	\$115	\$115	37 Int. - MBF	3
Walnut, Black	\$750	\$750	\$750	\$675	\$750	6 Int. - MBF	1

Southeast Stumpage Prices

	High	Low	Avg.	Last Qtr.	Last Yr.	Vol.	# of Rpts.
Sawlogs							
Ash	\$190	\$190	\$190	-	\$145	2 Int. - MBF	1
Elm	\$190	\$190	\$190	-	-	- Int. - MBF	1
Hard Maple	\$190	\$190	\$190	-	-	- Int. - MBF	1
Hickory	\$215	\$75	\$215	\$115	\$205	57,641 Int. - MBF	7
Mixed Hardwoods	\$75	\$50	\$60	\$120	\$180	3 Int. - MBF	2
Oak (mixed species)	\$235	\$185	\$210	\$200	\$145	598 Int. - MBF	3
Post Oak	\$200	\$75	\$160	\$145	\$185	17,095 Int. - MBF	9
Red oak (group)	\$290	\$150	\$265	\$190	\$230	112,900 Int. - MBF	14
Shortleaf Pine	\$130	\$75	\$105	-	\$90	66 Int. - MBF	3
Walnut, Black	\$175	\$175	\$175	-	\$255	2 Int. - MBF	1
White oak (group)	\$290	\$120	\$215	\$225	\$225	6,889 Int. - MBF	9

Averages are based on received reports. Refer to the column headed “# of Rpts.” to get a gauge of how accurate the average prices may be. (“# of Rpts.” refers to the number of sales including a particular species and may sum to more than the number of sales.) Changes since last quarter and last year should be read with caution as the number of reports varies each year and quarter. This report can only be used as a general guide for determining market value of timber. General market and economic conditions, as well as local considerations such as accessibility, terrain, sale size, and tree size and quality also affect the price paid.

Please see the map on page 7 for a definition of reporting regions.

Foresters reported stumpage prices resulting from 35 timber sales containing 195,852 MBF located throughout the state.

Editor’s Note

Remember that one of the most valuable sources for information on log and timber markets is the local Missouri Department of Conservation Resource Forester or your Consulting Forester. Contact the nearest Forest District office for up-to-date, local advice. The Missouri Department of Conservation's Forestry Division, (573) 751-4115, will be happy to provide you with the name and address of the Resource Forester or MDC Regional Office nearest to you. You can locate a Consulting Forester by visiting the Mo. Consulting Forester's Association web site at: www.missouriforesters.com or by visiting the Private Land Assistance page of the MDC website <http://mdc.mo.gov/landown/> and clicking on the “Conservation Assistance Contractors” link.

Tom Treiman and John Tuttle, Editors

Note: A “sale” often includes several different species so the number of sales may be less than the “# of Rpts.” (number of reports) listed in the tables.

Tree Scale Conversion Factors

Sawlogs - Veneer Logs	Int'l = Doyle x 1.2
Pulpwood Pine	5,200 lbs/cord
Hardwood (hard)	5,600 lbs/cord
Hardwood (soft)	4,200 lbs/cord

Note: All prices and volumes are reported in International ¼” MBF Scale. To convert to Int.-BF prices or volume, divide by 1,000. To convert volume from Int.-MBF to Doyle MBF, divide by 1.2. To convert prices from Int.-MBF to Doyle MBF, multiply by 1.2.

News from Missouri's Neighbors

Nebraska reports that there are competitive market conditions for species and grades of lumber. Demand for items such as hard maple and red oak is limited, backing up inventory through the supply chain to the sawmill. The buildup is pressuring prices. The demand for soft maple remains solid, particularly for Sel and Btr grades. The strong demand from domestic and off-shore markets is driving a brisk business for white oak. Log decks are low across much of the territory. Even though weather conditions have been more conducive to logging in recent weeks, poor pulpwood markets could constrict future logging activity.

Tennessee reports that the market has been mixed, some species are hot and others are nearly dead. Red oak upper grades are very difficult to sell at almost any price and hard maple is very slow. White oak and walnut are very much in demand, just cannot get enough of either to meet possible orders. The lower grade markets are not as good as they were, but steady. The tie market continues to be very strong.

The slumping housing market is the primary reason for the slowing of lumber demand. Housing starts were at a high of 2.265 million units in January 2006 and have dropped to 1.408 million units a year later, a drop of 38 percent. Diesel is about the same as it was a year ago and has only recently begun to creep upward !!

The winter has not been a difficult one from a weather

standpoint, not much cold weather, warm in fact a few times during the last few weeks. The mills in the eastern part of the state seem to have plenty of logs and as you go further west, they have fewer. Wet weather has hurt some mills, but doesn't seem to have caused any unwanted shutdowns.

Timber Mart South's latest reports states that south-wide average stumpage prices dipped further for both pine sawtimber and chip-n-saw in the 4th quarter of 2006. Pulpwood prices increased slightly. Prices for all five major products were below the averages of one year ago.

Stumpage prices for both mixed hardwood sawtimber and hardwood pulpwood recovered slightly this quarter from declines earlier in the year. Both averages were about \$0.50 per ton above prices last quarter, while still below prices of one year ago.

Sources: Nebraska Timber Talk, Tennessee Forest Products Bulletin, Timber Mart South.

Washington: Proposed bill seeks to curb trade in illegal timber

It could be your new hardwood floor or coffee table with a rich mahogany hue. Although the wood may look good, there is a strong chance it came from timber harvested illegally in places such as Honduras, Indonesia or Peru, labor and environmental groups say.

Now a bipartisan group of congress members wants to crack down on illegal logging around the world. A bill introduced Tuesday would ban U.S. imports

of wood products derived from illegally harvested timber.

Much like the movie "Blood Diamond" which portrays diamonds as fueling a brutal civil war in West Africa, the logging bill is aimed at reminding U.S. consumers to consider where their new bedroom dresser or hardwood floor comes from, said Rep. Earl Blumenauer, D-Ore., the bill's chief sponsor.

"Illegal logging is a problem that crosses national boundaries to affect communities, companies and ecosystems alike" Blumenauer said, adding that he hopes to "raise the profile" of illegal logging so that consumers pressure retailers to reveal the source of furniture and flooring, just as many do with so-called fair-trade coffee. As much as 30 percent of U.S. hardwood imports are from suspicious or illegal sources, according to the U.S. International Trade Commission. Much of the wood is sent to China, where it is processed at low cost and then exported to the United States and other countries.

Illegal logging costs U.S. companies as much as \$1 billion a year in lost exports and reduced prices for timber products, according to the American Forest and Paper Association, a trade group that represents the wood products industry.

The logging bill, co-sponsored by Reps. Robert Wexler, D-Fla., and Jerry Weller, R-Ill., would extend the Lacey Act -- which prohibits importation of wildlife taken in violation of conservation laws -- to apply to wood and timber products.

The measure would ban the import, export, purchase or sale of timber products made in violation

of any domestic or foreign law or international treaty.

The forest and paper association stopped short of endorsing the bill but said it welcomes increased interest shown by Congress in the issue.

Earlier this month, Senate Finance Committee Chairman Max Baucus, D-Mont., asked the International Trade Commission to investigate Chinese trade practices he said are hurting U.S. hardwood plywood manufacturers.

Last month, the U.S. Trade Representative filed a complaint with the World Trade Organization targeting Chinese subsidies of illegally harvested hardwood.

The forest and paper association warned that laws targeting U.S. imports could increase costs for legitimate producers while decreasing risks associated with illegal production.

"It is essential that policy responses do not create perverse incentives by raising the costs of 'legal' forest products, thus making illegal logging even more profitable," the group said.

A host of environmental, labor and business groups endorsed the bill, including the Environmental Investigation Agency, Sierra Club, World Wildlife Fund, Defenders of Wildlife, Natural Resources Defense Council, United Steel Workers and Wood Flooring International.

Sources: Associated Press.

News from Missouri

Currently Missouri Department of Conservation (MDC) foresters are visiting sawmills in Missouri to find out how much timber is being cut on an annual bases. MDC foresters are about 50% done with the Timber Product Output survey and have received good cooperation from mill owners. I really appreciate the mills that have provided this information.

I have been to 25 Missouri sawmills this past quarter. All of these mills seemed concerned about the slumping red oak prices. The railroad tie buying yard that I had a chance to talk too seemed optimistic about the tie markets. Right now a 7" x 9" tie is bringing about \$21.50.

I have been getting a few calls from brokers wanting to buy black walnut. These brokers want to purchase walnut for the Chinese market. From talking to mill owners and foresters and observing the price reports, walnut is selling for a high price which is creating a major demand for standing timber.

The hot topic in the state right now is woody biomass. Currently there is legislation in the General Assembly that has been proposed that would make it possible for cellulosic ethanol plants to receive the incentives that corn ethanol plants are getting. This legislation would allow incentives to be paid to New Generations Coops. A New Generation Coop must be 51% producer-owned in order to qualify for the incentives. If a cellulosic ethanol plant does come to Missouri it would provide a

market for small diameter wood and would enhance the markets for waste wood products. The issue that most concerns me is that the wood is harvested in a sustainable manner.

Remember to give me a call if you have ideas on how to enhance the forest products program. If you know of a project or have an idea that could provide a market to the forest products industry give me a call. If looking for a buyer for your standing timber either give me a call or call your local forester. John Tuttle (573) 522-4115, extension 3304.

Missouri Timber Price Trends tracks market prices for Stumpage. Reports on the Stumpage Market are received from Missouri Department of Conservation Resource Foresters and private consulting foresters. Stumpage refers to timber sold on the stump and does not reflect delivered mill prices. These reports should serve as a general guide to track stumpage prices. Landowners should not use this report to replace a timber inventory and marketing assistance as methods of conducting a sale. Missouri Department of Conservation Resource Foresters will be able to provide information on current, local market conditions. Details of all private sales and delivered prices are kept confidential.

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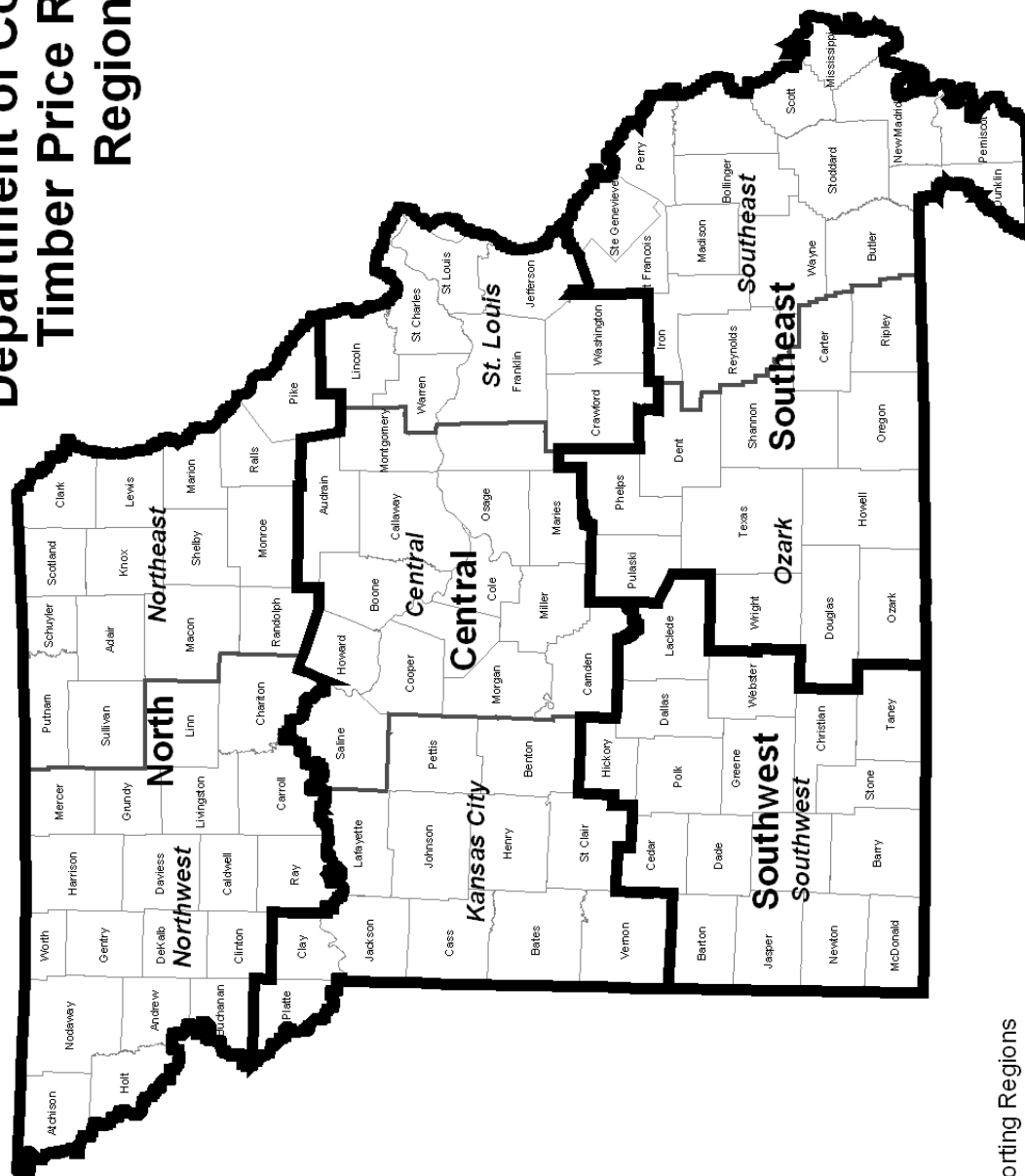
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Missouri Department of Conservation Timber Price Reporting Regions



Legend

Price Reporting Regions

MDC Regions

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Return Service Requested